GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3266
ANSWERED ON:11.08.2000
ADB LOAN TO M.P.
JAYASHREE BANERJEE

Will the Minister of FINANCE be pleased to state:

(a) whether the Asian Development Bank has sanctioned the loan of 25 crore American dollars to the State Government of Madhya Pradesh;

(b) if so, whether the first instalment of 10 crore dollars has been released in March, 2000;

(c) the names of the works for which the said loan is proposed to be utilized by the Madhya Pradesh Government; and

(d) the rate of interest and terms and conditions of this loan alongwith the period of repayment of loan?

Answer

MINISTER OF STATE FOR FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) Asian Development Bank has approved a loan of US $ 250 million for Madhya Pradesh Public Resource Management Program Loan.

(b) The first tranche of US $ 100 million has been disbursed by Asian Development Bank on 17th December, 1999.

(c) The loan is to support the State`s efforts to improve human development and satisfy basic human needs through enhanced resource mobilization, improved efficiency of resource use, and reallocation for focused social sector interventions within a medium-term framework of sustainable public finances.

(d) Interest is at the Bank`s pool based variable lending rate system for US dollars.It carries a commitment charges of 0.75 percent per annum and the loan is to be repaid in 15 years including a grace period of three years.